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## I. Introduction

2. As at 31 October, the strength of the military component stood at 858, including all ranks, and the strength of the police component stood at 69 (see annex).

## II. Good-offices mission and other developments

4. On 13 June, the Security Council adopted resolution 1818 (2008) extending the mandate of UNFICYP and urging the parties to build on the momentum they had created. The resolution also called on the two sides to work to ensure that full-fledged negotiations could begin expeditiously and smoothly, in line with the agreement of 21 March and the joint statement of 23 May (see annexes II and III to S/2008/353). The Council also welcomed my intention to appoint a Special Adviser at the appropriate time.

5. In mid-June, I dispatched the Under-Secretary-General for Political Affairs, B. Lynn Pascoe, to Cyprus for the second time in 2008. The objective of his trip was to reaffirm my strong commitment to supporting a renewed negotiation process.



assess the situation on the ground and determine how best the United Nations could help the parties move the process forward. During the course of his visit, Mr. Pascoe met twice with Mr. Christofias and Mr. Talat, who confirmed their commitment to reaching a comprehensive settlement under the auspices of my good offices and their willingness to engage fully and in good faith with their counterparts to achieve this goal.

6. At their meeting on 1 July, the leaders issued a joint statement stating that they had discussed the issues of single sovereignty and citizenship. They also agreed to discuss the details of their implementation during the full-fledged negotiations, and undertook a first review of the work of the working groups and technical committees.

7. On 25 July, the leaders undertook a final review of the progress made by the working groups and technical committees, which had held more than 270 meetings, and announced that full-fledged negotiations under the auspices of my good offices would be formally launched on 3 September. The aim of the negotiations would be to find a mutually acceptable solution to the Cyprus problem that would safeguard the fundamental and legitimate rights and interests of all Cypriots. Any agreed solution would be put to separate, simultaneous referendums.

8. At the same meeting, the leaders asked their respective representatives, George Iacovou (Greek Cypriot) and Ozdil Nami (Turkish Cypriot), to consider opening Limnitis/Yeşilirmak and other crossing points and also announced 15 confidence-building measures in the areas of cultural heritage, crisis management, crime prevention and in particular the environment, which emanated from the technical committees, aimed at easing the daily life of Cypriots across the entire island. These followed an initial six measures announced by the leaders' representatives on 20 June in the areas of cultural heritage, environment, health and road safety.

9. On 10 July, in a letter to the President of the Security Council (S/2008/456), I announced my intention to appoint Alexander Downer as my Special Adviser on Cyprus as from 14 July 2008. In a reply (S/2008/457) dated 14 July, the President of the Security Council informed me that the Council had taken note of my decision. In their joint statement of 25 July, Mr. Christofias and Mr. Talat publicly welcomed the appointment of my Special Adviser, whose mandate is to assist the parties in the conduct of full-fledged negotiations aimed at reaching a comprehensive settlement.

10. In mid-July, on the margins of the Paris Summit for the Mediterranean and the celebrations marking the sixtieth anniversary of United Nations peacekeeping, I met with the Prime Minister of Turkey, Recep Tayyip Erdogan. I also met with Mr. Christofias and, two days later in Berlin, with Mr. Talat. Prime Minister Erdogan stressed the support of Turkey for the direct talks, and both Cypriot leaders assured me of their commitment to reaching a comprehensive settlement. I, in turn, commended them for the decisive steps they had taken since 21 March. Late in July I also met the Minister for Foreign Affairs of Turkey, Ali Babacan, in New York. He, too, reaffirmed the support of Turkey for the leader-to-leader negotiations.

11. Since his appointment, my Special Adviser has visited the island on four separate occasions to facilitate meetings between the leaders and their respective representatives and officials. On 3 September, as had been previously agreed, the leaders formally launched full-fledged negotiations. I warmly welcomed this development and commended them for their seriousness of purpose, sense of

compromise and commitment. My Special Adviser attended both the formal launch, on 3 September, and the first substantive meeting between the leaders, on 11 September, at which discussions began on governance and power-sharing. Prior to the launch of the substantive meetings, I had telephoned the Prime Minister of Turkey and Kostas Karamanlis, the Prime Minister of Greece, to urge them to support the process. I also telephoned Mr. Christofias and Mr. Talat to reaffirm my support.

12. Since then, the leaders have met on nine occasions under United Nations auspices, with either Special Adviser Downer or Deputy Special Adviser Tayé-Brook Zerihoun present. In the first phase of negotiations, the meetings have focused on the key issues of governance and power-sharing. In these efforts, the leaders have been supported by additional meetings of their representatives.

13. Early in September, my Special Adviser travelled to Athens, where he met with the Prime Minister of Greece and the Minister for Foreign Affairs, Dora Bakoyannis; and to Ankara, where he met with the President of Turkey, Abdullah Gül; the Prime Minister and the Minister for Foreign Affairs. Early in October, he travelled to Washington, D.C., for meetings with officials of the State Department of the United States of America; to London, to meet with the Minister for Europe of the United Kingdom of Great Britain and Northern Ireland and with other officials of the Foreign and Commonwealth Office and the Office of the Prime Minister; and to Brussels, where he met with the European Commissioner for Enlargement, Olli Rehn, and other European Union officials. In November, he travelled to Paris to meet with officials of the Office of the President and of the Ministry of Foreign Affairs of France. All interlocutors expressed to my Special Adviser their support for a mutually acceptable solution. My Special Adviser is planning to visit Beijing and Moscow in the near future.

14. Late in September, on the margins of the General Assembly debate, I met separately with the President of Turkey and the Foreign Minister of Greece. Both reiterated the support of Turkey and Greece, respectively, for the negotiation process. To both I stressed the importance of creating a harmonious and constructive atmosphere in Cyprus conducive to the building of trust. On 22 September, in New York, I met again with Mr. Christofias.

15. In order to deliver coherent and effective support to the efforts of the parties throughout the process, the United Nations has adopted, and will continue to adopt, an integrated approach that maximizes synergies among my good-offices mission and UNFICYP. My Special Representative and Chief of Mission of UNFICYP, Mr. Zerihoun, serves as my Deputy Special Adviser on issues relating to my good offices. He will continue to articulate and be the conduit for the support — substantive and administrative — provided by UNFICYP and the United Nations country team to the good-offices effort.

16. The substantive pillars of UNFICYP — civil affairs, military, civilian police — will support the good-offices efforts through the provision of expertise and institutional knowledge, in particular by assisting the parties in devising and implementing confidence-building measures. Administrative and infrastructure support will also be provided. My Special Representative will also coordinate expertise from the United Nations country team, including the Committee on Missing Persons in Cyprus, in a common effort to help create an environment conducive to the talks.

### III. Activities of the United Nations Peacekeeping Force in Cyprus

#### A. Prevention of a recurrence of the fighting and maintenance of the military status quo

17. During the reporting period, the situation in the buffer zone has remained stable. The main focus of UNFICYP military operations has been to maintain stability in the buffer zone and pursue military confidence-building measures. Since the opening of the Ledra Street crossing, both opposing forces have demonstrated good cooperation with UNFICYP on matters related to that crossing point. UNFICYP no longer maintains an overt military presence there, and crossings from both sides have continued without incident.

18. The total number of military violations and other incidents during the current reporting period was 352, marginally less than in the previous reporting period. Typical violations were minor in nature and had little effect on the situation along the ceasefire lines. Such violations included unauthorized improvements to military positions, incursions into the buffer zone, the overmanning of observation posts and the photographing of the opposing forces' positions. Those minor violations were corrected when representation was made to the chain of command of the opposing forces.

19. As reflected in my previous report (S/2008/353), the opposing forces repeatedly employed low-level tactical measures in an effort to irritate or cause minor intimidation to the opposing side. Such acts were more common where the positions of the opposing forces are in close proximity, such as in the centre of Nicosia.

20. The opposing forces conducted low-level training at observation posts and in the vicinity of the buffer zone, but refrained from conducting major exercises or manoeuvres. The majority of this training and familiarization was for new recruits and included terrain briefings and substantial overmanning of observation posts. The National Guard cancelled its "Exercise Nikiforos", and the Turkish Forces responded by cancelling "Exercise Toros". The cancellation of these major exercises has been seen as a significant confidence-building measure in line with the current political process, and it is hoped that such restraint will be shown also with respect to other military activities. Of notable significance was a training incident that occurred on 17 November 2008. While conducting 81mm mortar training, the Turkish Forces/Turkish Cypriot Security Forces accidentally fired a non-explosive, training mortar bomb across the buffer zone into a residential area of Nicosia. There were no reported casualties. Mr. Talat apologized to Mr. Christofias for the incident, and it was satisfactorily resolved.

21. The Turkish Forces continue to impose restrictions on the movement of United Nations Peacekeeping Force in Cyprus. Measures include the continued denial of routes on the Karpas peninsula and the imposition of tight controls on access to, and the conduct of operations within, the walled area of Varosha, as noted in my previous report. The United Nations continues to hold the Government of Turkey responsible for the status quo in Varosha. On three separate occasions, civilian members of UNFICYP attempting to conduct official business were stopped by Turkish Cypriot police. On one of those occasions, an UNFICYP engineer party was

27. Since my previous report, UNFICYP, in cooperation with international and local partners, facilitated 56 bicomunal events, with the participation of 5,294 persons from both communities, who came together to promote the reunification of the island and support the ongoing negotiations between the leaders of the two communities. Those events were held at Ledra Palace Hotel in the buffer zone, which continues to be considered by both sides as a neutral venue. Issues of common interest, in particular intercommunal confidence-building matters, continue to be the main theme of those gatherings. The increase in the number of participants in intercommunal activities illustrates the importance that Cypriots from both sides attach to the resumed political process. The UNDP Action for Cooperation and Trust programme continued to cooperate with UNFICYP in this area. It contributed to the fostering of a climate conducive to constructive dialogue between Greek Cypriots and Turkish Cypriots and supported the role of civil society in the promotion of a culture of reconciliation across the island through bicomunal events and activities and the establishment of island-wide intercommunal networks and cross-community partnerships.

28. Regular monthly meetings between Greek Cypriot and Turkish Cypriot political party leaders continued at the Ledra Palace Hotel under the auspices of the Embassy of Slovakia. The subcommittee established by that forum met three times to discuss confidence-building matters and agreed on joint visits to schools and hospitals on both sides. On 14 September, youth sections of the Greek Cypriot and Turkish Cypriot political parties jointly organized an event to mark the International Day of Peace.

29. UNFICYP continued to deliver humanitarian assistance to Greek Cypriot and Maronites living in the northern part of the island. During the reporting period, UNFICYP conducted 62 humanitarian convoys and visits to 372 Greek Cypriots and 136 Maronites in the north. As described in my previous report, the 54 requests made by Greek Cypriot and Maronite internally displaced and refugee families that wish to return and permanently reside in the north are still pending owing to differences between the two sides over the eligibility criteria for permanent returns. UNFICYP continued to facilitate, through contacts with the authorities in the north, the delivery of textbooks and the appointment of teachers to the elementary and secondary Greek Cypriot schools in Rizokarpaso, on the Karpas peninsula. To date, of 14 teachers and other academic staff appointed for the current academic year, 6 have been allowed to teach at the schools, while 8 have been denied permission.

30. UNFICYP also continued to assist Turkish Cypriots living in the southern part of the island in obtaining identity documents, housing, welfare services, medical care, employment and education. Following a review of its activities in facilitating humanitarian assistance to Turkish Cypriots in the south, UNFICYP has initiated discussions with the relevant local authorities and concerned community representatives with a view to further improving the humanitarian and welfare action directed to them.

31. The establishment of a Turkish-language primary school in Limassol is still pending. There have been no further developments on this matter since the Supreme Court of the Republic of Cyprus rejected the lawsuit filed by the Cyprus Turkish Teachers' Trade Union, as mentioned in my previous report (S/2008/353, para. 28).

32. Members of both communities continue to seek the use of property in the buffer zone for various civilian activities that range from hunting, farming and the

construction of large-scale residential and commercial housing to mining projects. Facilitating those activities while ensuring stability continues to be one of the main challenges facing the mission. Despite the coordination arrangements agreed with the relevant authorities aimed at addressing the trend of unauthorized construction in the buffer zone, the continued lack of adherence to the UNFICYP buffer-zone procedures for civilian activities hampers the implementation of the mandate of the mission.

33. During the reporting period, UNFICYP authorized six projects in the buffer zone, outside of civil-use areas. Those projects included telecommunications infrastructure, sewage system, housing and road construction. In October, a private mining company from the south blocked a section of an UNFICYP patrol track with a large amount of soil outside the buffer zone in the area of Skouriotissa, in sector 1. The company obstructed the patrol track in reaction to the decision by the mission not to approve a request for the extraction of iron ore in a mine located in a sensitive area in the buffer zone. UNFICYP removed the blockage, and the matter was brought to the attention of the authorities.

34. The preservation, protection and physical restoration of the cultural heritage, immovable and movable, on the island is being discussed within the framework of the ongoing negotiations towards a comprehensive settlement of the Cyprus problem. Several restoration projects are also being implemented by the UNDP Partnership for the Future programme in Famagusta, Kyrenia and the walled city of Nicosia. Both sides continue to seek UNFICYP facilitation to access sites and icons of religious and cultural significance to both sides. During the reporting period, UNFICYP facilitated eight religious and commemorative events on the island, which were held without incident.

35. On 8 August, approximately 1,200 Turkish Cypriots travelled through the prospective Limnitis/Yeşilirmak crossing point to participate in an annual commemorative event in the Kokkina/Erenkoy area; however, use of the same prospective crossing was denied by the Turkish Cypriot side to members of the Greek Cypriot community of Kato Pyrgos who wished to attend the planned annual prayers at Ayios Mamas church in the first week of September.

36. UNFICYP continued to liaise with the two sides on law enforcement and on issues related to crossings on humanitarian grounds. During the reporting period, UNFICYP facilitated 24 medical evacuations and the transfer of the remains of four Greek Cypriots to the north for burial in their villages. The mission also conducted regular prison visits with 12 Turkish Cypriot inmates in the south and 1 Greek Cypriot detained in the north. After two inmates escaped from Nicosia prison in October 2007, several meetings were held with prison authorities with the aim of developing a protocol for use in the event of a similar occurrence. The protocol was completed recently.

37. Relations between UNFICYP and the police forces on both sides remained cooperative and constructive. Meetings at a senior level with the respective police forces are held regularly in order to ensure the smooth processing of crime-related information.

38. In August, there were four cases of property damage in the bicommunal village of Pyla. The incidents caused grave concern among the villagers and among the Turkish Cypriot community in the north. The Turkish Cypriot leader visited Pyla

and held consultations with both the Greek Cypriot and Turkish Cypriot *mukhtars*, who later organized a joint press conference aimed at preventing a negative perception of the bicomunal village. The mission continues to work with the two communities in Pyla to assist in the maintenance of good relations and build confidence between them. To that end, UNFICYP plays an important mediation role, including the monitoring of long-standing arrangements established between the two communities.

#### IV. Committee on Missing Persons in Cyprus

39. During the reporting period, the Committee pursued its bicomunal project on the exhumation, identification and return of the remains of missing persons. By November, the remains of 455 individuals had been exhumed on both sides of the buffer zone by the Committee's bicomunal teams of archaeologists. The remains of more than 292 missing persons had undergone examination at the Committee's bicomunal anthropological laboratory in the United Nations Protected Area in Nicosia. Following DNA genetic analysis, carried out by a bicomunal team of scientists at the Cyprus Institute of Neurology and Genetics, the remains of 105 individuals had been returned to their respective families.

40. In October, following a training period which lasted more than two years, full operational responsibility for running the Committee's anthropological laboratory was handed over to a bicomunal team of Cypriot scientists. That was the culmination of the capacity-building and local ownership dimensions of the Committee's project. The Argentine Forensic Anthropology Team, which trained the Cypriot archaeologists and anthropologists, continued its involvement in the project for quality-control purposes. Funding for those activities is provided by the European Union and bilateral donors through UNDP.

41. The Committee enjoyed broad political and public support during the reporting period. However, I continue to urge all parties concerned to take every possible action in order to speed up the exhumation process.

#### V. Financial and administrative aspects

42. The General Assembly, by its resolution 62/255, appropriated the amount of \$54.9 million gross (\$52.5 million net) for the maintenance of UNFICYP for the period from 1 July 2008 to 30 June 2009. In this regard, I am grateful for the voluntary contribution of one third of the net cost of the Force, equivalent to \$17.5 million, by the Government of Cyprus and the voluntary contribution of \$6.5 million by the Government of Greece. I invite other countries and organizations to do likewise, with a view to reducing the portion of the cost of UNFICYP covered by assessed contributions.

43. Should the Security Council decide to extend the mandate of UNFICYP for a further period of six months, the cost of maintaining the Force would be limited to the amount approved by the General Assembly.

44. As at 31 August 2008, the total outstanding assessed contributions to the special account for UNFICYP for the period from 16 June 1993 to 15 December

2008 amounted to \$26.6 million. The total outstanding assessed contributions for all peacekeeping operations as at the same date amounted to \$3,873,700.

45. Reimbursement of troop- and contingent-owned equipment costs has been made only for the periods up to 31 May 2007 and 31 March 2006, respectively, owing to the delay in the receipt of assessed contributions.

## VI. Observations

46. During the reporting period, the situation in the buffer zone remained calm and stable. The opposing forces extended in general good cooperation to UNFICYP, and only minor incidents were recorded. I commend both sides for their decision to cancel their main annual military exercises, in line with the improved political atmosphere on the island. The UNFICYP Force Commander will work with military commanders on both sides to extend this constructive approach to other military activities. In this context, I hope the Turkish Forces will lift their unwarranted restrictions on the movement of UNFICYP.

47. Steady progress has been achieved in the clearing of minefields located in the buffer zone. While I acknowledge this with satisfaction, I call on both military forces to agree to the clearance of a small number of outstanding minefields. I hope that with the continued assistance of the European Union and the cooperation of both sides, the demining operation will proceed without interruption. I consider this process an important example of a confidence-building measure and encourage political and military leaders on both sides to take further steps in that direction.

48. I am encouraged that the humanitarian work of the Committee on Missing Persons continues unhindered. This has been possible thanks to the continued political and public support the effort enjoys across Cyprus and abroad. I am particularly pleased to see that a bicommunal team of Cypriot scientists has taken over full operational responsibility for the Committee's anthropological laboratory.

49. Over the last six months, efforts to solve the Cyprus problem have entered a new phase. The decision on 3 September 2008 by Mr. Christofias and Mr. Talat to resume formal negotiations towards a comprehensive settlement on the basis of a bizonal, bicommunal federation with political equality was encouraging. It reflected political courage, vision and commitment, which both leaders clearly share. Through only four formal meetings since the process began, and with the two key joint statements of 23 May and 1 July, they have managed to forge a common framework and a vision of the endgame with regard to the peace process. I commend their political leadership for bringing the process to this point and encourage them to push the process forward.

50. This common vision has guided the negotiations, which are currently focusing on power-sharing arrangements in a reunited Cyprus. My assessment is that, on the whole, negotiations are moving ahead well, with both parties presenting their respective positions and engaging with each other in a constructive and open manner. It is not surprising that the parties agree on many aspects, given that the broad outline and the established parameters of the solution are well known and already articulated by them. Nor are they starting from scratch; they have the advantage of a significant body of work to draw upon.

51. Nonetheless, the issues to be addressed are difficult, and differences along the way will naturally appear. Many issues cut across one another and cannot be considered in isolation but rather as areas for potential compromise. The nature of the process therefore demands a diligent and patient approach. I am confident that both leaders will remain engaged through regular meetings and committed to seeing the process through.

52. A further reason for optimism is the excellent personal chemistry that the leaders enjoy. Their sensitivity to each other's needs and political constraints are unique assets in helping them move forward together with determination and confidence. Together they have also taken ownership of and full responsibility for the process. The challenge facing them — as partners and not adversaries — is to maintain the momentum of the process that they have begun.

53. Bearing in mind that any eventual agreement will be put to simultaneous referendums, it is of vital importance that the parties do not neglect the political aspects of the process. It will be necessary for them to actively explain to their respective communities that compromise is indispensable if a solution is to be reached; and to explain and promote the benefits of a win-win solution in the economic, political, security-related and other fields. Mutual recriminations and negotiating through the media run counter to these objectives.

54. An involved and informed civil society, which is essential to building trust and desirable in and of itself, forms part of the same strategy. Their active participation can contribute to helping Cypriots understand what they will be called to vote upon, so that any future settlement can be sustainable. I call once again upon the sides to find the best means to facilitate the active involvement of Cypriot civil society in the debate on the future of their country.

55. The range of approved concrete measures from the technical committees was a welcome breakthrough, and its implementation would not only improve the daily life of many Cypriots but also encourage and facilitate greater interaction among them. Thus I would encourage the parties to implement these measures as soon as possible, as both sides have acknowledged that they are important for building public support for the process. In the same vein, military and other confidence-building measures, such as the opening of crossings, including at Limnitis/Yeşilirmak, would greatly contribute to improving the atmosphere on the island.

56. It remains my view that the establishment of economic, social, cultural, sporting or similar ties and contacts will have a positive impact on the ongoing efforts. As I have stated before, such contacts would nurture a sentiment of trust between the communities and help ease the sense of isolation felt by the Turkish Cypriots. Further, greater economic and social parity between the sides will make the eventual reunification not only easier, but also more likely. In the context of an internationally sanctioned peace process, efforts in the opposite direction can only be counterproductive.

57. Regarding the negotiations themselves, the approach adopted to date is to identify and put to the side issues on which the parties agree; identify and negotiate options on which they disagree; and put to the side those issues that are difficult to overcome at this stage. As the negotiations intensify in the coming months, there will be an increased need to rationalize the process to deliver results through a

dedicated structure in support of the leaders. The representatives and working groups could play a useful role in taking this process forward in a dynamic and interactive manner, under the guidance of the leaders.

58. The support of the United Nations for the process will remain unwavering, under the leadership of my Special Adviser. In accompanying the parties along the way, our role is to assist and facilitate this Cypriot-owned process as required; I will spare no effort in this undertaking. I am also fully prepared, at the parties' request, to offer more assistance.

59. I believe that for the time being, and in the absence of a comprehensive settlement, UNFICYP continues to play a vital role on the island, both as a stabilizing factor on the ground and as a source of critical support for my good-offices mission. I therefore recommend that the Security Council extend the mandate of UNFICYP by a further period of six months, until 15 June 2009.

60. In conclusion, I wish to express my gratitude to my Special Adviser, Mr. Downer; my Special Representative and Chief of Mission, Mr. Zerihoun; the Force Commander, Rear Admiral Mario César Sánchez Debernardi; and the men and women serving in the special political mission and UNFICYP for the efficiency and dedication with which they have discharged the responsibilities entrusted to them by the Security Council.

## Annex

# Countries providing military and civilian police personnel (as at 31 October 2008)

| Country                                              | Military personnel |
|------------------------------------------------------|--------------------|
| Argentina*                                           | 295                |
| Austria                                              | 5                  |
| Canada                                               | 1                  |
| Hungary                                              | 84                 |
| Slovakia**                                           | 200                |
| United Kingdom of Great Britain and Northern Ireland | 273                |
| <b>Total</b>                                         | <b>858</b>         |
| <b>United Nations police</b>                         |                    |
| Argentina                                            | 4                  |
| Australia                                            | 15                 |
| Bosnia and Herzegovina                               | 2                  |
| Croatia                                              | 3                  |
| El Salvador                                          | 8                  |
| India                                                | 7                  |
| Italy                                                | 4                  |
| Ireland                                              | 19                 |
| Netherlands                                          | 7                  |
| <b>Total</b>                                         | <b>69</b>          |

\* The Argentine contingent includes soldiers from Chile (14), Paraguay (14) and Brazil (1).

\*\* The Slovakian contingent includes soldiers from Croatia (4).

